

Illinois 1115 Waiver

FACT SHEET

Name of Section 1115 Demonstration:	Prescription Drug Benefit for Illinois' Low-Income Seniors
Date Proposal Submitted:	July 31, 2001
Date Proposal Approved:	January 28, 2002
Implemented:	June 1, 2002

Summary

CMS approved Illinois' application to provide comprehensive pharmacy benefits, with primary care coordination to low-income seniors. This is the first demonstration of this kind to be approved. The demonstration will be implemented by moving the majority of enrollees in Illinois' State-only pharmacy benefit program into the demonstration. Operational for fifteen years, the State-funded pharmacy benefit program (called "Circuit Breaker") is a restricted benefit providing for only chronic and catastrophic drugs for low-income seniors and individuals with disabilities. Moving the State-funded program into the 1115 would expand the scope of the pharmacy coverage. It is estimated that a pharmacy 1115 program would positively impact approximately 368,000 low-income seniors.

Eligibility

The demonstration extends coverage to low-income seniors at or below 200 percent of the Federal Poverty Level (FPL). The majority of the demonstration eligible population will also be Medicare eligible individuals.

Benefit Package

Demonstration coverage is expanded in scope from the State-funded program because enrollment is not dependent on the presence of a specific illness. The demonstration benefit will include all drugs covered by Medicaid. Participants would receive an identification card that is distinct from a Medicaid card. The card will be replaced annually when the individual renews enrollment in the program. Enrollees present the card at pharmacies to receive the benefit.

Cost Sharing

Participants with a household income below the FPL will be required to pay an annual enrollment fee of \$5; these individuals will not be required to pay a copayment for prescriptions until the threshold amount is reached (see below). Participants with a household income equal to or greater to the FPL will be required to pay an annual enrollment fee of \$25; these individuals will be required to pay a \$3 copay per prescription for legend drugs. There will be no copayments required for over the counter drugs. The demonstration program would pay for prescriptions up to a yearly threshold cap of approximately \$1750; after the cap is met, the program participant will be required to pay a 20% of the cost of each prescription in addition to a nominal copayment.

Private Insurance Assistance

To provide an incentive for individuals who have private insurance coverage (which may require more costly copayments than those of the demonstration) from dropping that coverage to enroll in the demonstration, demonstration eligible individuals with private insurance coverage for pharmaceuticals may choose to receive a monthly “rebate” check of a set fee (approx. \$25) rather than a direct demonstration benefit. This will assist with premiums and copayments of the other insurance.

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